

House Bill 492

Sponsor Testimony

Chairwoman Anielski, Ranking Member Holmes, and members of the House State and Local Government Committee, thank you for the opportunity to speak to House Bill 492, that will establish the women-owned business (WOB) enterprise program requiring state agencies to establish women-owned business procurement goals.

I have recently learned that Ohio does not have an enterprise program for WOB. Many states outside of Ohio require that to be eligible for their WOB certification programs, a company must be certified in their “home state”. Ohio does not have a program in which an Ohio business can be certified making them ineligible in other states and unable to compete fairly against other businesses.

This bill would create an enterprise program for WOB, and establish agency procurement goals. The bill was designed to mirror the current EDGE (Economic, Diversity, Growth, and Equity) certification program. The EDGE program applies only to economically disadvantaged companies and is not similar enough to WOB programs in other states to satisfy the requirement that a company be certified as a woman-owned business in their home state.

House Bill 492 can be broken down into three parts:

Part one under House Bill 492, directs the Director of Administrative Services (DAS) to establish the Women-Owned Business Enterprise Program and adopt rules that do all of the following:

- a. Establish procedures by which a women’s business may apply for certification as a women-owned business enterprise;
- b. Establish agency procurement goals for contracting with women-owned business in the award of contracts;
 - i. Goals should be based on a percentage level of participation and a percentage of contractor availability.

- ii. Goals shall be applied at the contract level, relative to an overall dollar goal for each state agency in accordance with the following certification categories:
 - 1. Construction, architecture and engineering;
 - 2. Professional services;
 - 3. Goods and services; and
 - 4. Information technology services.
- c. Establish standards to determine when a WOB no longer qualifies for WOB enterprise certification;
- d. Develop a process for evaluating and adjusting goals;
- e. Establish a point system or comparable system to evaluate bid proposals to encourage women-owned business enterprises to participate in the procurement of professional design and IT services;
- f. Establish a system to track data and analyze each certification category;
- g. Establish a process to mediate complaints and to review WOB enterprise certification appeals;
- h. Implement an outreach program to education potential participants about the program;
- i. Establish a waiver mechanism to waive program goals or participation requirements for agencies that, despite their best efforts, are unable to contract with certified WOB's.
- j. Establish a process for monitoring overall program compliance in which equal employment opportunity officers primarily are responsible for monitoring their respective agencies;
- k. Establish guidelines for state universities and the Ohio facilities construction commission for awarding contracts to allow them to establish agency procurement goals for contracting with WOB's.

The second part of House Bill 492 protects business and personal financial information and trade secrets submitted by women-owned business enterprise applicants. Under the bill, this information is not considered a public record.

The third part of this bill allows the Director of DAS, upon approval of the Attorney General, to enter into reciprocal agreements with other states when they have a business assistance program or a women-owned business enterprise program that is substantially similar to the WOB Enterprise program in Ohio. Many states will only provide certification benefits of their programs to companies from reciprocal states.

Madam Chairwoman and members of the committee, I ask for your favorable consideration of this legislation. I thank you for your time and would be happy to address any questions you may have at this time.